(b) the percentage of the said amount with respect to total amount collected as Income Tax; and

(c) whether Government are aware of any decision of Madras High Court regarding Fringe Benefit Tax and if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The provisional figures of total revenue collected under Fringe Benefit Tax for the first and second quarters of financial year 2005-06 are Rs. 795.25 crore and Rs. 896.4 crore respectively.

(b) The percentage of total collections under Fringe Benefit Tax (795.25 crore + 896.4 crore) to the total amount of Income Tax (Corporate Income Tax + Personal Income Tax) collected in the first and second quarters works out to 3.01%.

(c) A number of writ petitions have been filed before the Hon'ble High Court of Madras challenging the provisions of Fringe Benefit Tax. The Hon'ble Madras High Court has passed interim orders staying operation of Fringe Benefit Tax in a number of cases. Subsequent to filing of Writ Petitions in various High Courts, Union of India has filed a petition before the Supreme Court under Article 139A of the Constitution of India for transfer of writs to the Supreme Court.

Increase in ranking in terms of PPP

632. SHRI MOOLCHAND MEENA:
DR. T. SUBBARAMI REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether India has emerged as the fourth largest nation in terms of Purchasing Power Parity and it now needs to realign its strategies and policy framework to become 3rd largest by 2005;

(b) whether PPP is yet another measure for world economies, wherein in US topped with $10 trillion, followed by China, Japan and India;

(c) whether in order to be part of global competitive world, India has many challenges on hand where Indian companies approach business;

(d) whether Government should plan strategies not based on ideology but on achieving planned results; and

(e)If so, what efforts Government propose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) As per the information contained in the World Development Indicators database of the World Bank, the Purchasing Power Parity (PPP) Gross Domestic Product (GDP) for 2004 places India in the fourth position after United States, China and Japan with values (in billions of international dollars) at 11628 for United States, 7124 for China, 3774 for Japan and 3363 for India. While Purchasing power parity (PPP) conversion factors take into account differences in the relative prices of goods and services—particularly non-tradables—to provide an overall measure of the real value of output produced by an economy compared to other economies, this is generally not used to measure growth.

(c) to (e) Since 1991, India has taken several reform measures in policies related to trade, industry, fiscal and public sector to improve productive efficiencies and dynamism of Indian industries and to impart dynamism to the overall growth process. Policies towards removing existing constraints in infrastructure, establishing international best practices in the financial sector and achieving good corporate governance is a continuous process.

Reduction of excise duties on cars and two wheelers

633. SHRI SURENDRA LATH:
SHRI KRIPAL PARMAR:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have made an assessment of the reaction from the automobile industry in the country;

(b) whether Government have decided to reduce excise duties to be levied on cars and two wheelers and;

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir.